

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

**FORM 8-K**

**CURRENT REPORT  
Pursuant to Section 13 or 15(d) of  
the Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported) **April 18, 2005**

**RUSH ENTERPRISES, INC.**

(Exact name of registrant as specified in its charter)

**Texas**  
(State or other jurisdiction of incorporation)

**0-20797**  
(Commission File Number)

**74-1733016**  
(IRS Employer Identification No.)

**555 IH-35 South, Suite 500, New Braunfels, Texas**  
(Address of principal executive offices)

**78130**  
(Zip Code)

Registrant's telephone number, including area code: **(830) 626-5200**

(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

**Item 2.02. Results of Operations and Financial Condition**

On April 18, 2005, the Company issued a press release regarding its financial results for the first quarter ended March 31, 2005. The full text of the press release issued in connection with the announcement is attached as Exhibit 99.1 to this Current Report on Form 8-K. The information furnished in this report, including the information contained in Exhibit 99.1, shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act (the "Exchange Act") or otherwise subject to liabilities of that section, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933 of the Exchange Act, except as expressly set forth by specific reference in such filing.

**Item 9.01. Financial Statements and Exhibits**

- (a) Financial Statements of Business Acquired.  
None.
- (b) Pro Forma Financial Information.  
None.
- (c) Exhibits  
99.1 Press Release

**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

By           /s/ Martin A. Naegelin, Jr.            
Martin A. Naegelin, Jr.  
Senior Vice President and Chief Financial Officer

Dated April 18, 2005

**Contact:**

Rush Enterprises Inc., San Antonio  
Martin A. Naegelin, Jr., 830-626-5230

Adam Friedman Associates  
Rick Hilton, 212-981-2529, ext 22

**RUSH ENTERPRISES, INC. REPORTS FIRST QUARTER RESULTS**  
*EPS Increases to \$0.31 with 74.9% Increase in Revenues*

SAN ANTONIO, Texas, April 18, 2005 — Rush Enterprises, Inc. (NASDAQ: RUSHA & RUSHB), which operates the largest network of Peterbilt heavy-duty truck dealerships in North America and a John Deere construction equipment dealership in Texas, today announced results for the first quarter ended March 31, 2005.

**First Quarter Results**

In the first quarter, the Company's gross revenues totaled \$402.0 million, a 74.9% increase from gross revenues of \$229.9 million reported for the first quarter ended March 31, 2004. Income from continuing operations was \$7.7 million, or \$0.31 per diluted share, during the first quarter of 2005 compared to \$2.1 million or \$0.14 per diluted share in the first quarter of 2004. Net income for the quarter was \$7.7 million, or \$0.31 per diluted share, compared with net income of \$2.2 million, or \$0.14 per diluted share, reported in the quarter ended March 31, 2004.

The Company's truck segment recorded revenues of \$388.5 million in the first quarter of 2005, compared to \$217.7 million in the first quarter of 2004. The Company delivered 2,185 new heavy-duty, 624 new medium-duty and 980 used trucks during the first quarter of 2005 compared to 999 new heavy-duty, 327 new medium-duty and 775 used trucks for the same period in 2004. Truck parts, service and body shop sales increased 23.8% from \$63.4 million in the first quarter of 2004 to \$78.5 million in the first quarter of 2005. These results include sales at the dealerships acquired from American Truck Source, Inc. (ATS) in January.

The Company's construction equipment segment recorded revenues of \$11.3 million in the first quarter of 2005, compared to \$10.5 million in the first quarter of 2004. New and used construction equipment unit sales revenue increased 6.7% from \$7.5 million in the first quarter of 2004 to \$8.0 million in the first quarter of 2005. Construction equipment parts, service and body shop sales increased 18.5% from \$2.7 million in the first quarter of 2004 to \$3.2 million in the first quarter of 2005.

**Expanding Reach**

Rush is pursuing a growth strategy that expands its geographic reach while enhancing its overall results. As part of its efforts to integrate ATS into the Rush Truck Center network and expand our presence in the important Nashville market, the Company will relocate the Nashville dealership it acquired from ATS to a recently purchased 120,000-square-foot facility during the summer of 2005. The new facility is double the size of the Company's existing Nashville

dealership. Plans are also underway to relocate several other existing Rush Truck Centers to better serve its customers. Construction is almost complete on a new 41,000-square-foot facility on Interstate 10 where the Company will relocate its existing Mobile, Alabama dealership. Additionally, the Company continues to pursue acquisitions of new medium-duty truck dealerships in the markets it already serves.

**CEO Quote**

In announcing the results, W. Marvin Rush, Chairman and Chief Executive Officer of Rush Enterprises, said, "Truck sales are back and, as a result, Rush Enterprises is pleased with its first quarter performance. Manufacturers and component suppliers expected U.S. heavy-duty truck sales to approach 186,000 units in 2004. In fact, U.S. heavy-duty truck sales totaled about 203,000 units in 2004, a 40% increase over 2003. Manufacturers and component suppliers currently estimate 2005 U.S. heavy-duty truck sales to approach 255,000 units, but it appears customers would purchase more units if the manufacturers could build more. Rush is well positioned to capitalize on this growing demand by maintaining its focus on fundamentals and improving the Rush bottom line." Mr. Rush added, "I'm very excited to report that our "quality of earnings" improved dramatically this quarter as our absorption rate increased more than six percent over our absorption rate in the first quarter of 2004."

Mr. Rush continued, "Our customer base has increased tremendously, now that we 'own' the Dallas and Nashville markets through our recent acquisition of American Truck Source. While ATS was successful, we believe there are major opportunities for Rush to improve its business and we have already begun integrating our culture and operating strategy into the acquired businesses. We also set a goal this year to strengthen the depth of our product offering by selling 2,500 medium-duty trucks in 2005, compared to the 1,766 we sold in 2004, with the ultimate goal of eventually selling as many medium-duty trucks as we do Class 8 trucks."

**Conference Call**

Rush Enterprises will host a conference call to review its first quarter results on **April 19, 2005 at 10 a.m. ET/9 a.m. CT**. The call can be heard live by dialing **800.901.5247 (US)** or **617.786.4501 (International)** and entering the passcode **67194684**, or via the web on the 'Events' section of the Company's website at **www.RushEnterprises.com**, or at **www.earnings.com**, or **www.streetevents.com**. For those who cannot listen to the live broadcast, the Webcast and audio replay will be available until April 29, by dialing 888.286.8010 (US) or 617.801.6888 (International) and entering the passcode 97331725.

**About Rush Enterprises**

Rush Enterprises operates the largest network of Peterbilt heavy-duty truck dealerships in North America and a John Deere construction equipment dealership in Houston, Texas. Its operations include a network of 44 Rush Truck Centers located in Texas, California, Oklahoma, Colorado, Arizona, New Mexico, Alabama, Florida and Tennessee. The Company has developed its Rush Truck Centers and its Rush Equipment Center as "one-stop centers" where, at one convenient location, its customers can purchase new or used trucks or construction equipment; purchase insurance products; purchase aftermarket parts and accessories and have service performed by certified technicians. For additional information on Rush Enterprises, Inc., please visit [www.rushenterprises.com](http://www.rushenterprises.com).

*Certain statements contained herein, including those concerning industry conditions, are "forward-looking" statements (as such term is defined in the Private Securities Litigation Reform Act of 1995). Because such statements include risks and uncertainties, actual results may differ materially from those*

expressed or implied by such forward-looking statements. Factors that could cause actual results to differ

materially from those expressed or implied by such forward-looking statements include, but are not limited to, competitive factors, general economic conditions, cyclicalities, economic conditions in the new and used truck and construction equipment markets, customer relations, relationships with vendors, the interest rate environment, governmental regulation and supervision, seasonality, distribution networks, product introductions and acceptance, technological change, changes in industry practices, onetime events and other factors described herein and in filings made by the company with the Securities and Exchange Commission.

-Tables to Follow-

**RUSH ENTERPRISES, INC., AND SUBSIDIARIES**  
**CONSOLIDATED BALANCE SHEETS**  
**MARCH 31, 2005 AND DECEMBER 31, 2004**

(In Thousands, Except Shares and Per Share Amounts)

	March 31, 2005 (unaudited)	December 31, 2004
<b>ASSETS</b>		
<b>CURRENT ASSETS:</b>		
Cash and cash equivalents	\$ 98,277	\$ 158,175
Accounts receivable, net	44,184	30,296
Inventories	278,108	189,792
Prepaid expenses and other	1,214	1,418
Deferred income taxes	1,544	1,544
<b>Total current assets</b>	<b>423,327</b>	<b>381,225</b>
PROPERTY AND EQUIPMENT, net	164,529	138,953
OTHER ASSETS, net	98,923	45,755
<b>Total assets</b>	<b>\$ 686,779</b>	<b>\$ 565,933</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
<b>CURRENT LIABILITIES:</b>		
Floor plan notes payable	\$ 252,722	\$ 168,002
Current maturities of long-term debt	20,280	16,083
Advances outstanding under lines of credit	2,613	2,434
Trade accounts payable	20,255	16,970
Accrued expenses	43,364	39,495
<b>Total current liabilities</b>	<b>339,234</b>	<b>242,984</b>
LONG-TERM DEBT, net of current maturities	96,350	79,973
DEFERRED INCOME TAXES, net	20,169	20,169
<b>COMMITMENTS AND CONTINGENCIES</b>		
<b>SHAREHOLDERS' EQUITY:</b>		
Preferred stock, par value \$.01 per share; 1,000 shares authorized; 0 shares outstanding in 2004 and 2005	—	—
Common stock, par value \$.01 per share; 50,000,000 shares authorized; 23,896,976 shares outstanding at December 31, 2004 and 23,954,858 outstanding at March 31, 2005	240	239
Additional paid-in capital	156,957	156,423
Retained earnings	73,829	66,145
<b>Total shareholders' equity</b>	<b>231,026</b>	<b>222,807</b>
<b>Total liabilities and shareholders' equity</b>	<b>\$ 686,779</b>	<b>\$ 565,933</b>

**RUSH ENTERPRISES, INC., AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF INCOME**  
(In Thousands, Except Per Share Amounts)

(Unaudited)

	Three Months Ended	
	March 31,	
	2005	2004
<b>REVENUES:</b>		
New and used truck sales	\$ 298,931	\$ 146,268
Parts and service	83,009	67,005
Construction equipment sales	7,976	7,543
Lease and rental	7,703	6,671
Finance and insurance	3,163	1,723
Other	1,261	674
<b>Total revenues</b>	<b>402,043</b>	<b>229,884</b>
<b>COST OF PRODUCTS SOLD:</b>		
New and used truck sales	278,370	135,445
Parts and service	50,006	41,708
Construction equipment sales	7,018	6,664
Lease and rental	5,702	4,748
<b>Total cost of products sold</b>	<b>341,096</b>	<b>188,565</b>
<b>GROSS PROFIT</b>	<b>60,947</b>	<b>41,319</b>
<b>SELLING, GENERAL AND ADMINISTRATIVE</b>	<b>43,608</b>	<b>34,594</b>
<b>DEPRECIATION AND AMORTIZATION</b>	<b>2,413</b>	<b>2,196</b>
<b>OPERATING INCOME</b>	<b>14,926</b>	<b>4,529</b>
<b>INTEREST EXPENSE, NET</b>	<b>2,494</b>	<b>1,455</b>
<b>GAIN ON SALE OF ASSETS</b>	<b>63</b>	<b>430</b>
<b>INCOME FROM CONTINUING OPERATIONS BEFORE INCOME TAXES</b>	<b>12,495</b>	<b>3,504</b>
<b>PROVISION FOR INCOME TAXES</b>	<b>4,811</b>	<b>1,402</b>
<b>INCOME FROM CONTINUING OPERATIONS</b>	<b>7,684</b>	<b>2,102</b>
<b>GAIN FROM DISCONTINUED OPERATIONS, NET</b>	<b>0</b>	<b>53</b>
<b>NET INCOME</b>	<b>\$ 7,684</b>	<b>\$ 2,155</b>
<b>EARNINGS PER COMMON SHARE - BASIC</b>		
Income from continuing operations	\$ .32	\$ .15
Net income	\$ .32	\$ .15
<b>EARNINGS PER COMMON SHARE - DILUTED</b>		
Income from continuing operations	\$ .31	\$ .14
Net income	\$ .31	\$ .14
<b>Weighted average shares outstanding:</b>		
Basic	23,955	14,122
Diluted	24,853	15,257